

IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

HON'BLE Mr. JUSTICE R. SUBHASH REDDY

Writ Petition No.5774 of 2006

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Dated: April 20, 2006

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Between:

Radeep Services, 03-01,
High Street Plaza – 77, High Street,
Singapore – 179433, rep. by its authorized
Agent Sri P. Rakesh Reddy.

... Petitioner

And

The Government of India, Ministry of
Environment & Forest, S.U. Division,
Parayavaran Bhavan, CGO Complex,
Lodhi Road, New Delhi, and three others.

Order:

The petitioner, in this Writ Petition, by way of Mandamus questions the action of the second respondent in allotting excess quantity of 704 Metric Tonnes of Red Sanders Wood logs to the fourth respondent and denying the petitioner the quantity of his entitlement as per G.O.Ms.No.131 dated 09-12-2005.

2. The Principal Chief Conservator of Forests, Hyderabad, has issued tender notice inviting bids for disposal of a quantity of 1240.12 Metric Tonnes of Red Sanders Wood, that has been seized and lying in the godowns of the Forest Department in the State. The said quantity was divided into grades, namely, 'A', 'B', 'C' and 'D'. In the said tender notice, the tenderers were invited to quote two different types of rates, one for utilization of the graded Red Sanders Wood in the country or for export in value added product form and the other for the graded Sanders wood to be exported in round log form without converting them into value added products subject to permission by the Government. The entire said quantity was advertised for disposal in '142' lots. Out of total 142 lots put for sale, the fourth respondent-company, belonging to Japan, and the petitioner company, belonging to Singapore, have offered highest rates for 135 lots, i.e. 1184.94 Mts. for a total price of Rs.1406.50 lakhs, however, there were no bids for '7' lots. On submission of the rates offered by the petitioner and the fourth respondent, the second respondent-Government confirmed the rates in G.O.Ms.No.131 dated 09-12-2005, i.e. Rs.1,17,000/- per M.T. for 'C' Grade and Rs.85,000/-/- per M.T. for 'D' Grade, offered by the petitioner and the fourth respondent. In the said order, the second respondent-Government ordered to dispose of the said quantity subject to obtaining permission from the Government of India.

3. As per the existing Exim policy, there is a prohibition to export the Red Sanders Wood in log form. The State Government addressed to the Government of India for one-time exemption for export in round wood log form. Though proposals for sent for

exemption, to a total quantity which was notified for sale, the Government of India has granted exemption for export only to an extent of 885.14 M.T of A, B, C, D grades of Red Sander Wood in log form, out of 1240.12 M.T.s. notified for sale. The rates were confirmed only to an extent of 1184.94 M.T.s.

4. As much as Exim policy prohibits for export of Red Sanders wood in log form, when the Government of India was addressed, the Government of India, through the Ministry of Environment and Forests, has considered the request of the State Government, but, however, granted exemption for export only to an extent of 885.14 M.T.s of Red Sanders Wood in log form, out of 1240.12 M.Ts. and in order to protect the interests and preferential treatment to local buyers, the State Government was directed to allot the rest of 354.98 M.T.s. of Red Sanders wood to M/s. Synthite Industrial Chemical Limited, Ernakulam for manufacture of value added products.

5. This Writ Petition has been filed mainly on the ground that out of the total quantity 885.14 M.T.s., for which exemption was granted for export in log form, the petitioner was allotted only 181 M.T.s. and the fourth respondent was allotted 704 M.T.s.

6. It is the case of the petitioner that though the rates offered by the petitioner as well as the fourth respondent have been approved by the Government, in view of reduction of quantity by the Government of India, the quantity was reduced in proportion to the offers made by them and the action of the respondents in allotting only 181 M.T.s. to the petitioner and allotting more quantity to the fourth respondent, is illegal and arbitrary.

7. In view of the statement made by the respondents in the counter affidavit that the Government has not allotted any quantity of material either to the petitioner or to the fourth respondent, learned counsel for the petitioner requested to dispose of the Writ Petition permitting the petitioner to make a representation to the Government for fixing the quantity of its entitlement. The learned Senior Counsel, Sri Vilas Afzul Purkar, appearing on behalf of the fourth respondent and the learned Government Pleader appearing for the first and second respondents expressed their 'no objection' in permitting the petitioner to make such representation to the Government.

8. As much as the Government has approved the rates offered by the petitioner as well as the fourth respondent, vide G.O.Ms.No.131 dated 09-12-2005 and in view of the submission of the learned counsel, this Writ Petition is disposed of permitting the

petitioner to make a representation for allotment of the quantity in respect of the offer made by it for disposal of Red Sanders Wood logs. It is open for the fourth respondent also to make a representation claiming its entitlement of quantity of Red Sanders Wood logs. On such representations being made, the Government shall consider the same and pass appropriate orders for allotment of Red Sanders Wood logs, for which rates have been approved by the Government in G.O.Ms.No.131 dated 09-12-2005.

9. Subject to the above directions, the Writ Petition is disposed of. No order as to costs.

JUSTICE R. SUBHASH REDDY.

April 20, 2006

MRR

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